ISSUE DATE: June 23, 1997

DOCKET NO. P-5509/M-97-658

ORDER APPROVING APPLICATION FOR AMENDED CERTIFICATE OF AUTHORITY

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Edward A. Garvey

Joel Jacobs

Marshall Johnson

Commissioner

Commissioner

Commissioner

Commissioner

In the Matter of the Application by InfoTel Communications, LLC for an Amended Certificate of Authority ISSUE DATE: June 23, 1997

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PROCEDURAL HISTORY

On April 30, 1997, InfoTel Communications, LLC (InfoTel or the Company) filed a request for an amendment to its Certificate of Authority under Minn. Stat. § 237.16, subd. 4.

On May 6, 1997, the Minnesota Department of Public Service (the Department) filed comments recommending approval of InfoTel's request.

On May 14, 1997, the City of Royalton filed a letter expressing full support for granting InfoTel authority to provide local telephone service.

On May 15, 1997, the Metropolitan 911 Board (the Board) requested that the Commission make InfoTel aware of the Board's interest and direct the Company to complete plans for metro area 911 service prior to being allowed to establish live customer service.

On May 21, 1997, the City of Hawley (Hawley) filed comments, stating that it objected to granting authority to InfoTel if it meant additional construction in the City's rights of way and laying more lines.

On June 3, 1997, the Commission met to consider this matter.

FINDINGS AND CONCLUSIONS

A. InfoTel's Request

InfoTel has already received authority from the Commission to provide long distance services throughout the State of Minnesota and local services (resale and facilities-based) in the exchanges of Brainerd, St. Cloud, Moorhead, Fergus Falls, and Little Falls. In its current

petition, the Company requested authority to resell a full range of local service services in all of USWC's exchanges. The Company stated that if its request were approved it would 1) obtain the proposed services from USWC under the terms of the Resale Agreement approved by the Commission in Docket No. P-5298, 421/M-97-32 and 2) provide the services under the terms of its currently filed price list, amended to identify the approved expanded service area.

B. The Department's Comments

The Department recommended that the Commission approve InfoTel's request. The Department stated that the Company has complied with the requirements of Minn. State § 237.16, subd. 4 by providing 1) territorial maps showing the locations that it intends to serve and 2) notice to affected parties.

C. Comments of the City of Hawley

The letter filed by the City of Hawley stated that it objected **if** granting the requested authority would mean that InfoTel would be laying more lines and doing additional construction in the City's right-of-way.

The Commission does not view the City's comments, taken as a whole, as constituting an objection to the Company's request. The City was careful to identify the cause of its concern, i.e. if the Company would be laying more lines and doing additional construction in the City's right-of-way. The prospect of additional lines/construction was a condition precedent to any objection to Infotel's request.

Since Infotel proposed to resell USWC's services and use USWC's existing facilities, the City's concern does not apply to InfoTel and, in effect, the City has expressed no objection to the Company's request as such.

D. Comments of the Metropolitan 911 Board

The 911 Board did not object to the Commission granting Infotel the requested authority to provide local service in additional territory, the balance of USWC's exchanges. The Board did, however, request that the Commission make the Company aware of the Board's interest in this matter and direct the Company to complete plans for metro area 911 service in conjunction with the Board and the State of Minnesota prior to being allowed to establish live customer service. The Board requested an opportunity to comment to the Commission on the Company's plan to provide 911 service to its customers.

For the most part, the Board's concerns are met by the fact that InfoTel has requested (and by this Order will be receiving) authority to resell USWC's local service. As a reseller of USWC's local service, the Company will be providing the 911 service that is available as part of USWC's local service. As such, InfoTel will be providing USWC's 911 service, a service that the 911 Board has approved. In these circumstances, it will not be necessary for the

911 Board to review InfoTel's 911 service separately.

The 911 Board plays an important role with respect to promoting uniform high quality 911 service in the metropolitan area, however, and in the event that InfoTel in the future undertakes to provide 911 service on its own, i.e. using its own facilities rather than reselling an approved 911 service, Infotel would be well advised to contact the Board to begin discussion and planning for the Company's provision of 911 service. The Commission believes that such discussion and coordination will occur.

In any event, if the Company ever proposes to provide facilities based local service, the Company will be required to submit a petition for authority to do so and will be required to operate consistent with all currently applicable rules and statutes and with any new rules and statutory requirement that have become applicable to telecommunications providers of its type.

In sum: at whatever time the Company requests authority to provide facilities- based local service, the local service rules in effect at that time will require (among other things) that the Company serve a copy of its proposed 911 plan on the Board prior to the Commission's decision to approve such plan. Note that Commission approval of the 911 plan will be required before the Company will allowed to begin providing the proposed facilities based local service.¹

E. Commission Analysis and Action

The Commission finds that InfoTel has satisfied the requirements of Minn. Stat. § 237.16, subd. 4 and possesses the technical, managerial and financial resources to resell USWC's local services in all of USWC's exchanges.

Since (as discussed above) no objections to InfoTel's request for additional authority have been received, the Company's request is deemed approved by operation of statute, effective May 20, 1997. See Minn. Stat. § 237.16, subd. 4. However, since the Company's authority to provide service has recently expanded in several respects it is appropriate to summarize those changes and to consider, as this Order has done, the comments submitted regarding the Company's most recent proposal.

The local service rules, including the specific provisions cited by the Board, are anticipated to go into effect in July 1997. The provisions specifically relating to Commission review of 911 service plans are found in proposed Minn. Rules, Part 7812.0550, subp. 1.

InfoTel's Expanding Authority

On April 22, 1996 in Docket No. P-5298/NA-95-1412, the Commission granted InfoTel a Certificate of Authority permitting it to 1) offer long distance services throughout the state of Minnesota and 2) resell local exchange services in USWC's Brainerd and St. Cloud exchanges. The authority granted was subject to the following conditions:

- 1. The Company's service area for local service was limited to USWC's Brainerd and St. Cloud exchanges.
- 2. The Company's local service authority was limited to the resale of tariffed services.
- 3. The Company was required to file revised tariff pages adequately describing its service offerings.
- 4. The Company was required to file with the Department all contracts providing for individual pricing, together with rate and cost information in adequate detail for the Department to determine if rates exceed costs by a reasonable margin.
- 5. It was clarified that the Company's authority, service offerings, and terms and conditions of service would be subject to the local competition rules being developed in rulemaking Docket No. P-999/R-95-53.

On April 4, 1997, the Commission issued an Order in Docket No. P-5298/PA-96-1614. In this Order, the Commission (among other things) amended InfoTel's Certificate of Authority to permit the Company to offer facilities-based (in addition to resale) local exchange services in USWC's Moorhead, Fergus Falls, and Little Falls exchanges, in addition to USWC's Brainerd and St. Cloud exchanges. The Order clarified that the conditions listed in the previous Order (April 22, 1996 Order in Docket No. P-5298/NA-95-1412) remained in effect except as specifically amended.

Summary of InfoTel's Authority To Date

With the additional authority approved in this Order, then, InfoTel's authority to date is as follows:

- authority to provide long distance services throughout the state of Minnesota;
- authority to provide facilities-based local exchange services in USWC's Brainerd, St. Cloud, Moorhead, Fergus Falls, and Little Falls exchanges; and
- authority to resell USWC's local services in all of USWC's exchanges In addition, InfoTel's authority is subject to the terms and conditions set forth in the above cited Orders in Docket Nos. P-5298/NA-95-1412 and P-5298/PA-96-1614.

ORDER

- 1. InfoTel's application for authority to resell USWC's local service in USWC's exchanges is approved, subject to the terms and conditions set forth in Docket No. P-5298/NA-95-1412.
- 2. InfoTel shall promptly file with the Commission revised tariff pages adequately describing its service offerings.
- 3. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Burl W. Haar Executive Secretary

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